

Edgar Filing: LEGG MASON INC - Form 424B3

LEGG MASON INC
 Form 424B3
 March 15, 2002

PROSPECTUS SUPPLEMENT NO. 10

(TO PROSPECTUS DATED OCTOBER 19, 2001)

\$567,285,000

LEGG MASON, INC.

LIQUID YIELD OPTION-TM- NOTES DUE 2031
 (ZERO COUPON--SENIOR)

AND

COMMON STOCK ISSUABLE UPON CONVERSION OF THE LYONS

This document supplements the prospectus dated October 19, 2001 of Legg Mason, Inc. relating to the resale by certain holders of LYONS who are named as selling security holders of up to \$567,285,000 aggregate principal amount at maturity of LYONS and the shares of common stock issuable upon conversion of the LYONS.

You should read this prospectus supplement in conjunction with the prospectus dated October 19, 2001. This prospectus supplement is qualified by reference to the prospectus dated October 19, 2001, except to the extent that the information in this prospectus supplement supersedes the information contained in the October 19, 2001 prospectus.

The table of selling security holders beginning on page 39 of the prospectus is hereby amended to add the entities named below as selling security holders:

NAME AND ADDRESS: -----	PRINCIPAL AMOUNT AT MATURITY OF LYONS BENEFICIALLY OWNED THAT MAY BE SOLD -----	PERCENTAGE OF LYONS OUTSTANDING -----	NUMBER OF SHARES OF COMMON STOCK THAT MAY BE SOLD (1) (4) -----	PERCENT COMMON OUTSTAN -----
Lehman Brothers Inc..... 745 Park Avenue New York, NY 10285	\$ 6,000,000	1.06%	46,237	

After giving effect to the addition of the foregoing selling security holders, the table of selling security holders reads as follows:

SELLING SECURITY HOLDERS

NAME AND ADDRESS: -----	PRINCIPAL AMOUNT AT MATURITY OF LYONS BENEFICIALLY OWNED THAT MAY BE SOLD -----	PERCENTAGE OF LYONS OUTSTANDING -----	NUMBER OF SHARES OF COMMON STOCK THAT MAY BE SOLD (1) (4) -----	PERCENT COMMON OUTSTAN -----
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AIG SoundShore Opportunity Holding Fund Ltd.	\$ 3,264,000	*	25,153
c/o DKR Management Company, Inc. 1281 East Main Street 3rd Floor Stamford, CT 06902			
AIG SoundShore Strategic Holding Fund Ltd.	\$ 1,836,000	*	14,149
c/o DKR Management Company, Inc. 1281 East Main Street 3rd Floor Stamford, CT 06902			
Allstate Insurance Company.....	\$ 2,200,000	*	16,954
3075 Sanders Road Suite G6B Northbrook, IL 60062			
Allstate Life Insurance Company.....	\$ 3,050,000	*	23,504
3075 Sanders Road Suite G6B Northbrook, IL 60062			
Argent Classic Convertible Arbitrage Fund (Bermuda) Ltd.....	\$ 6,800,000	1.20%	52,402
73 Front Street Hamilton HM 12 Bermuda			
Argent Classic Convertible Arbitrage Fund L.P.	\$ 5,000,000	*	38,531
500 West Putnam Avenue 3rd Floor Greenwich, CT 06830-6086			
Argent Classic Arbitrage Fund Ltd.....	\$ 5,000,000	*	38,531
500 West Putnam Avenue 3rd Floor Greenwich, CT 06830-6086			
Circler (IMA) Limited.....	\$ 3,000,000	*	23,119
c/o Camden Asset Management LP 2049 Century Park East, Suite 330 Los Angeles, CA 90067			
Continental Assurance Company.....	\$ 4,700,000	*	36,219
On Behalf of its Separate Account (E) CNA Plaza, 23 South Chicago, IL 60685			

2

NAME AND ADDRESS: -----	PRINCIPAL AMOUNT AT MATURITY OF LYONS BENEFICIALLY OWNED THAT MAY BE SOLD -----	PERCENTAGE OF LYONS OUTSTANDING -----	NUMBER OF SHARES OF COMMON STOCK THAT MAY BE SOLD (1) (4) -----	PERCENT COMMON OUTSTAN -----
Continental Casualty Company..... CNA Plaza, 23 South Chicago, IL 60685 Credit Suisse First Boston Corp.	\$ 28,500,000	5.02%	219,627	

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London.....	\$ 57,500,000	10.14%	443,107
c/o Credit Suisse First Boston Corporation 11 Madison Avenue 7th Floor New York, NY 10010			
Credit Suisse First Boston Corporation.....	\$ 5,040,000	*	38,839
11 Madison Avenue 7th Floor New York, NY 10010			
D.E. Shaw Investments, L.P.....	\$ 6,500,000	1.15%	50,090
120 West 45th St., 39th Floor New York, NY 10036			
D.E. Shaw Valence, L.P.....	\$ 26,200,000	4.62%	201,902
120 West 45th St., 39th Floor New York, NY 10036			
Deephaven Domestic Convertible Trading Ltd.	\$ 9,750,000	1.72%	75,135
130 Cheshire Lane Suite 102 Minnetonka, MN 55305			
Deutsche Banc Alex Brown Inc.....	\$ 5,000,000	*	38,531
1251 Avenue of the Americas New York, NY 10020			
Dylan (IMA) Ltd.....	\$ 4,000,000	*	30,825
Lydian Asset Management L.P. 101 East 52nd St. 36th Floor New York, NY 10022			
Global Bermuda Limited Partnership....	\$ 5,500,000	*	42,384
601 Carlson Parkway Suite 200 Minnetonka, MN 55305			
Hamilton Partners Limited.....	\$ 7,300,000	1.29%	56,255
415 Madison Avenue, 19th Floor New York, NY 10007			
JP Morgan Securities Inc.	\$ 10,000,000	1.76%	77,062
500 Stanton Christiana Road Newark, DE 19713			
KBC Financial Products.....	\$ 5,000,000	*	38,531
140 East 45th Street 2 Grand Central Tower 42nd Floor New York, NY 10017			

3

NAME AND ADDRESS: -----	PRINCIPAL AMOUNT AT MATURITY OF LYONS BENEFICIALLY OWNED THAT MAY BE SOLD -----	PERCENTAGE OF LYONS OUTSTANDING -----	NUMBER OF SHARES OF COMMON STOCK THAT MAY BE SOLD (1) (4) -----	PERCENT COMMON OUTSTAN -----
Lakeshore International Ltd..... 601 Carlson Parkway Suite 200	\$ 27,550,000	4.86%	212,306	

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Minnetonka, MN 55305 Lehman Brothers Inc..... 745 Park Avenue New York, NY 10285	\$ 6,000,000	1.06%	46,237
Lincoln National Global Asset Allocation Fund, Inc..... c/o Putnam Investment Management, LLC Investors Way, N-3-L Norwood, MA 02062	\$ 320,000	*	2,466
Lydian Overseas Partners Master Fund..... Lydian Asset Management L.P. 101 East 52nd Street, 36th Floor New York, NY 10022	\$ 19,300,000	3.40%	148,730
Merrill Lynch Pierce Fenner & Smith, Inc..... 101 Hudson Street Jersey City, NJ 07302	\$ 4,155,000	*	32,019
Morgan Stanley & Co. 1585 Broadway New York, NY 10036	\$ 25,800,000	4.55%	198,820
Newport Investments, Inc. 130 Cheshire Lane Suite 102 Minnetonka, MN 55305	\$ 750,000	*	5,780
Putnam Asset Allocation Funds- Conservative Portfolio..... c/o Putnam Investment Management, LLC Investors Way, N-3-L Norwood, MA 02062	\$ 2,560,000	*	19,728
Putnam Asset Allocation Funds-Balanced Portfolio..... c/o Putnam Investment Management, LLC Investors Way, N-3-L Norwood, MA 02062	\$ 1,960,000	*	15,104
Putnam Convertible Income-Growth Trust..... c/o Putnam Investment Management, LLC Investors Way, N-3-L Norwood, MA 02062	\$ 18,950,000	3.34%	146,033

4

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Putnam Convertible Opportunities and Income Trust..... c/o Putnam Investment Management,	\$ 670,000	*	5,163	

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LLC Investors Way, N-3-L Norwood, MA 02062 Putnam Variable Trust--Putnam VT Global Asset Allocation Fund.....				\$ 670,000	*	5,163
c/o Putnam Investment Management, LLC Investors Way, N-3-L Norwood, MA 02062 RAM Trading Ltd.				\$ 10,000,000	1.76%	77,062
c/o SAM Investments 650 Warrenville Road Suite 408 Lisle, IL 60532 RCG Latitude Master Fund.....				\$ 3,500,000	*	26,972
666 Third Ave., 26th Floor New York, NY 10019 Salomon Smith Barney Inc.				\$ 8,350,000	1.47%	64,347
390 Greenwich St. Convertibles, 3rd Floor New York, NY 10013 S.A.C. Capital Associates, LLC.....				\$ 16,500,000	2.91%	127,152
c/o S.A.C. Capital Advisors, LLC 777 Long Ridge Road Stamford, CT 06902 SAM Investments LDC.....				\$ 50,000,000	8.81%	385,310
650 Warrenville Road Suite 408 Lisle, IL 60532 St. Albans Partners LTD				\$ 6,000,000	1.06%	46,237
c/o Camden Asset Management LP 2049 Century Park East, Suite 330 Los Angeles, CA 90067 Tribeca Investments, L.L.C.				\$ 83,900,000	14.79%	646,550
399 Park Ave. New York, NY 10043 UBS AG London Branch.....				\$ 58,765,000	10.36%	452,855
100 Liverpool Street London EC2M 2RH United Kingdom						

5

NAME AND ADDRESS: -----	PRINCIPAL AMOUNT AT MATURITY OF LYONS BENEFICIALLY OWNED THAT MAY BE SOLD -----	PERCENTAGE OF LYONS OUTSTANDING -----	NUMBER OF SHARES OF COMMON STOCK THAT MAY BE SOLD (1) (4) -----	PERCENT COMMON OUTSTAN -----
Worldwide Transactions Ltd. 48 Par La Ville Rd. Suite 778 Hamilton, HMII Bermuda	\$ 735,000	*	5,664	
Yield Strategies II Fund, L.P..... c/o Camden Asset Management LP 2049 Century Park East, Suite 330	\$ 6,000,000	1.06%	46,237	

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Los Angeles, CA 90067			
Any other holder of LYONS or future transferee, pledgee, donee or successor of any holder(3).....	\$ 9,710,000	1.71%	74,827

* Less than 1%.

- (1) Assumes conversion of all of the holder's LYONS at a conversion rate of 7.7062 shares of common stock per \$1,000 principal amount at maturity of the LYONS. However, this conversion rate will be subject to adjustment as described under "Description of LYONS--Conversion Rights." As a result, the amount of common stock issuable upon conversion of the LYONS may increase or decrease in the future.
- (2) Calculated based on 63,828,321 shares of common stock outstanding as of August 30, 2001. In calculating this amount, we treated as outstanding that number of shares of common stock issuable upon conversion of all of a particular holder's LYONS. However, we did not assume the conversion of any other holder's LYONS.
- (3) Information about other selling security holders will be set forth in prospectus supplements, if required.
- (4) Assumes that the holders of LYONS, or any future transferees, pledgees, donees or successors of or from any such holder of LYONS, do not beneficially own any common stock other than the common stock issuable upon conversion of the LYONS at the initial conversion rate.

We prepared this table based on the information supplied to us as of March 14, 2002, by the selling security holders named in the table. The selling security holders listed in the above table may have sold or transferred, in transactions exempt from the registration requirements of the Securities Act, some or all of their LYONS since the date on which the information is presented in the above table. Information about the selling security holders may change over time. Any changed information supplied to us will be set forth in future prospectus supplements.

Because the selling security holders may offer all or some of their LYONS or the underlying common stock from time to time, we cannot estimate the amount of the LYONS or the underlying

common stock that will be held by the selling security holders upon the termination of any particular offering. See "Plan of Distribution."

INVESTING IN THE LYONS INVOLVES RISKS THAT ARE DESCRIBED IN THE "RISK FACTORS" SECTION BEGINNING ON PAGE 9 OF THE PROSPECTUS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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The date of this prospectus supplement is March 15, 2002.

-TM-Trademark of Merrill Lynch & Co., Inc.